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## Indonesia

## Biotechnology

## Agricultural Biotechnology Report

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**Report Highlights:**

Indonesia remains a large market for U.S. transgenic-based exports. Notwithstanding substantial trade in these products and a stated desire to improve food security, the Government of Indonesia does not appear to place much priority on developing a regulatory framework for commercialization of locally developed transgenic crops, nor local use.

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## TABLE OF CONTENTS

<b>I. EXECUTIVE SUMMARY.....</b>	<b>3</b>
<b>II. BIOTECHNOLOGY TRADE AND PRODUCTION .....</b>	<b>3</b>
<b>III. BIOTECHNOLOGY POLICY.....</b>	<b>3</b>
<b>IV. MARKETING ISSUES .....</b>	<b>4</b>
<b>V. CAPACITY BUILDING AND OUTREACH.....</b>	<b>4</b>
COCHRAN FELLOWSHIPS FROM INDONESIA RELATED TO BIOTECHNOLOGY: .....	4
ADDITIONAL BIOTECHNOLOGY “CAPACITY BUILDING” EVENTS SPONSORED BY USDA .....	4
ADDITIONAL BIOTECHNOLOGY “CAPACITY BUILDING” EVENTS SPONSORED BY FAS JAKARTA.....	5
<b>APPENDIX A .....</b>	<b>5</b>

## I. Executive Summary

Despite the GOI having ratified the Cartagena Protocol in October 2004, Indonesia has not made any significant advances in the approval, use or regulation of transgenic products in recent years.

The U.S. exported something on the order of \$600 million of transgenic products to Indonesia in 2004. Among these are Bt cotton, herbicide tolerant soybeans and meal, Bt corn and a variety of food products derived from transgenic crops. With the exception of certain soybean products, i.e., soy flour, no trade constraint based on transgenic origin has been introduced or enforced.

## II. Biotechnology Trade and Production

Indonesia does not produce any crops that involve transgenic processes, but does produce some using tissue culture techniques. These are tree seedlings (eucalyptus, acacia, mangrove) designed for domestic reforestation and certain flower species for export, primarily to the EU. The details are proprietary as only one company is currently known to be undertaking this business. It is unlikely that Indonesia will be able to multiply transgenic seed or commercialize any transgenic crop in the coming year.

The U.S. exported something on the order of \$600 million of transgenic products to Indonesia in 2004. Among these are Bt cotton, herbicide tolerant soybeans and meal, Bt corn and a variety of food products derived from transgenic crops. Significant volumes of presumptive transgenic soybeans and meal were also imported from other origins. With the exception of certain soybean products, i.e., soy flour, no trade constraint based on transgenic origin has been introduced or enforced. The barriers for soy flour do not seem to be a major constraint to current trade.

Indonesia is at times a recipient of food aid, the most recent instance being food aid for survivors of the December 2004 earthquake and tsunami. In that case, USDA provided 10,000 metric tons of rice for the relief effort.

## III. Biotechnology Policy

According to GOI officials at the Ministries of Environment, Health and Agriculture with joint responsibility for issuing regulations putting Indonesia in compliance with the Cartagena Protocol on Biosafety (CPB), these regulations are now expected within three to four months. This expected time frame has been pushed back several times, and is subject to change. Revised food labeling (only "packaged" food) regulation is expected similarly. At present, there are no imported or locally developed commercial transgenic seed varieties approved for planting in Indonesia. Approvals for planting and full commercialization are hindered because guidelines for food safety assessment have not yet been approved. Nevertheless, research activity at a relatively low level (e.g., second replication of containment trials) continues. Also continuing is GOI research and development at the agricultural institute in Bogor. Bt corn, Bt Cotton, RR Corn, and RR soybeans have to date passed all contained and field trials under the Biosafety assessment process.

Confusion in the IPR sector is a major impediment to increased investment in Indonesian biotechnology activities.

#### **IV. Marketing Issues**

To date, Indonesian importers, retailers and consumers have not expressed serious concerns about importation, sale or use of transgenic products.

#### **V. Capacity Building and Outreach**

FAS Jakarta has actively recruited Cochran Fellows and participants for other USDA-sponsored events since 1998. Following is a list detailing participants from Indonesia.

##### **Cochran Fellowships from Indonesia Related to Biotechnology:**

- Biotech 1998  
2 Cochran Fellows
- Regional Program for Decision Makers and Journalists 2000  
4 Cochran Fellows
- MSU - Food Safety Program 2000  
4 Cochran Fellows
- MSU - Food Safety Program 2001  
3 Cochran Fellows
- Biotechnology Training 2002  
3 Cochran Fellows
- MSU - Food Safety Program 2003  
2 Cochran Fellows
- MSU – Biotechnology Training 2003  
2 Cochran Fellows
- MSU – Biotechnology Training 2004  
1 Cochran Fellow

##### **Additional Biotechnology “Capacity Building” Events Sponsored by USDA**

- APEC HIGH LEVEL POLICY DIALOGUE ON AGRICULTURAL BIOTECHNOLOGY– CHIANG RAI, THAILAND  
February 14-15, 2003  
2 Indonesian attendees
- FARMERS WORKSHOP IN AGRICULTURAL BIOTECHNOLOGY – MANILA, PHILIPPINES  
2-6 December 2003  
1 Indonesian attendee
- APEC HIGH LEVEL POLICY DIALOGUE ON AGRICULTURAL BIOTECHNOLOGY- SANTIAGO, CHILE  
February 29 – March 1, 2004  
2 Indonesian attendees, 1 speaker

- APEC BIOTECH INVESTMENT SEMINAR - KUALA LUMPUR, MALAYSIA  
December 7-9, 2004  
2 Indonesian attendees
- APEC HIGH LEVEL POLICY DIALOGUE ON AGRICULTURAL BIOTECHNOLOGY- SEOUL, KOREA  
March 1-3, 2005  
2 Indonesian attendees, 1 speaker

**Additional Biotechnology “Capacity Building” Events Sponsored by FAS Jakarta**

- 2<sup>nd</sup> Meeting of the ASEAN Task Force on The Harmonization of Regulations for Agricultural Products Derived from Biotechnology, 2000
- Round Table Discussion with GOI, industries, scientists, NGOs and ASEAN officials, September 21-22, 2000
- ASFARNET Farmer to Farmer Workshop on Biotechnology Promotion and Exchange on Agricultural Technology, November 28 – December 1, 2004

Indonesia has significant capacity to promulgate but limited capability to enforce regulations with respect to food safety and biosafety of transgenic -origin products. What is lacking is the political desire to move forward. This means that the general issue of GOI regulation of such products will not advance expeditiously.

**APPENDIX A**

There are no transgenic seed products approved for release in Indonesia at this time.

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